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# **Migration, Employment and labour Market integration Policies in France**

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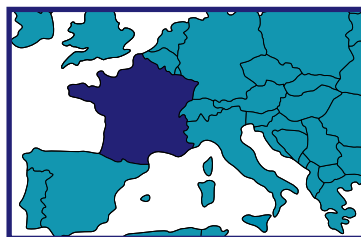
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# FRANCE

Jamal Bouoiyour<sup>133</sup>



## Institutional and Legal Framework for Admission and Employment

In the period under consideration between 2000 and 2009, different regulations applied before and after July 2006. In particular, before July 2006 in order for a foreigner to obtain a work permit with a residence card, the application had to be submitted to the Prefecture by the prospective employer.<sup>134</sup> This permit implied long processing time due to the applied market test, but was eventually made more flexible for IT specialists as of 1998.<sup>135</sup> In 2004, the IT sector went through growing unemployment, and the special provisions were dropped. However, the circular of January 2004 included exceptions for skills that were not available on the local labour market.

In order to take a decision on the employer's application, the prefect took into account the employment situations in the occupation sector and geographical area, relevance between the worker's qualifications and requirements of the job, the salary offered which had to be at least equivalent to the minimum wage and some other factors. The labour market test would apply also if in the future the foreigner would wish to change the employer before the expiration of a six-month deadline.

Such provisions were hardly meeting the needs of businesses, and these years saw a continuous decrease in labour immigration. The subsequent reform that came into

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<sup>134</sup> Then the local Direction Départementale du Travail carried out a test on the local labour market so as to ensure that the candidates who were present on the labour market were not able to perform the job which was vacant. In any case, once the application was accepted, the employer had to pay a tax which varied from 893 euros to 1,612 euros according to the foreigner's monthly gross salary.

<sup>135</sup> This circular added as a condition that the foreigner employee had a work contract in due form with a salary higher than 2,250 euros a month.

force in 2008 is an important step towards creating more favourable conditions for some categories of labour immigration.<sup>136</sup>

The new legislation (in force as of 18 January 2008) is structured around three main areas:

- The institution of exceptional arrangements to the issuance of residence permits for occupations in a geographical area characterized by labour shortages,
- The introduction of a residence card for “talented skills”,
- Flexibility of temporary migration conditions.

The new legislation established a national list of 30 occupations for each region, for which third-country nationals can apply, irrespective of the employment situation of other foreigners already present on the labour market.<sup>137</sup> In order to compile the list, the authorities constructed a tension indicator for each occupation and each region, defined as the ratio between the number of offers and the number of employment applications registered at the *Pôle Emploi*.<sup>138</sup> Regions and jobs for which these indicators are the highest are included in the list of exceptional arrangements. Thus, the Directorate General of Treasury and Economic Policy (DGTPE) provides a list of jobs for which the difficulties of recruitment are the highest measured by this indicator.<sup>139</sup>

The French authorities would select occupations that suffer from “extensive and structural” labour shortages for which the indicator of tension was equal to or greater than one. This selection is based on the *répertoire opérationnel des métiers* (ROME-operational database of occupations) used by the *Pôle Emploi*. However, potential challenges to the efficiency of this approach may include the following:

- The tension indicator is not comprehensive, since the *Pôle Emploi* does not cover the whole of the labour market and does not list all job vacancies, particularly those for the very highly qualified jobs;
- The indicator does not accurately reflect the state of demand for jobs: a jobseeker may accept a job in a different occupation from the one stated in the initial application to the *Pôle Emploi*;
- Some occupations exhibit a high rate of turnover and consequently a high indicator of tension, while not experiencing any persistent shortage (Tresor-Eco, 2010).

Jobs included in the list from the beginning did not require very high qualifications, but the 2008 list already included some higher skilled positions. There is also a great

<sup>136</sup> Major changes in migration policy have been introduced by the law of July 24, 2006, but were not enacted until 2008.

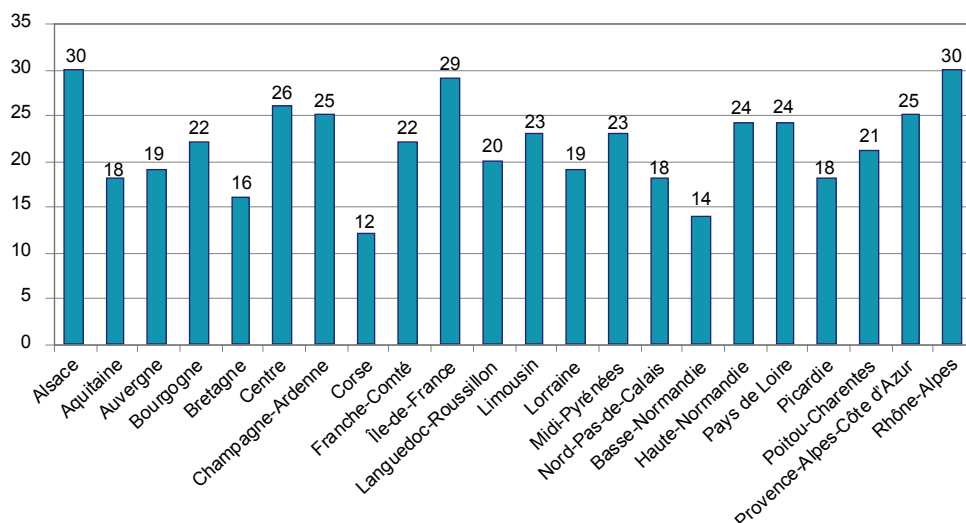
<sup>137</sup> Article L313-10 CESEDA, 1<sup>st</sup> paragraph

<sup>138</sup> *Pôle Emploi* was the result of the merging of the *Agence Nationale pour l'Emploi* (ANPE) and the *Associations pour l'Emploi dans l'Industrie et le Commerce* (ASSEDIC).

<sup>139</sup> In addition, the National Interprofessional Union for Employment in Industry and Trade (UNEDIC) carried out annual surveys of manpower needs (BMO) by companies. The survey identifies occupations for which recruitment difficulties are present in the largest share of planned recruitment, but does not allow the identification of whether such difficulties come from shortage of labour or inefficiencies of matching supply and demand.

variance of eligible jobs between different regions (Figure 1). Thus, in Corsica for example, only twelve occupations were liberalized in 2008, compared to 29 in Ile-de-France (Saint-Paul, 2009).<sup>140</sup>

**Figure 2: Number of occupations in each region included in the shortage list, 2008.**



Source: Decree of 18 January 2008.

Furthermore, the “Skills and Expertise” residence permit (la carte “compétences et talents”) is a temporary permit valid for up to three years at a time on a renewable basis, enabling the holder to perform salaried or business activity in France. It is designed for foreign nationals who have the potential to make a significant enduring contributions to the economic development, particularly in intellectual, scientific, cultural, or humanitarian fields and sports, in France and their native country.<sup>141</sup> The permit is very difficult to obtain. For example, for athletes in individual Olympic sports, the applicant must have been a national champion in the country of origin, during the sports’ season preceding the application or must have participated as an official competitor in continental or world championships.

This permit also enables foreigners to register their business project with the Commerce Registry (Registre du commerce et des sociétés). The authorization takes into account the quality of the project and its utility for France and for the country of the migrant’s nationality.<sup>142</sup> The foreigner has to apply to the prefecture at least four months before

<sup>140</sup> Another decree of 18 January 2008 established a list of 150 jobs opened to national citizens of the new member States of the EU which are subjected to transitional arrangements. These countries are Estonia, Latvia, Lithuania, Hungary, Poland, Czech Republic, Slovakia, Bulgaria and Romania. These 150 jobs represent about 40% of the job offers registered at ANPE every year. Besides, during its presidency of the EU, France put an end to the transitional period for Member States nationals which joined on May 1st, 2004. Thus, since 1 July 2008, the national citizens of these countries can freely have access to the French labour market, except for Bulgarians and Romanians.

<sup>141</sup> Article L 315-1 to L315-9 of Code de l’entrée et du séjour des étrangers et du droit d’asile (CESEDA).

<sup>142</sup> Interviews conducted with graduates of foreign origin (ten in total, coming from Morocco, Tunisia and Senegal in Ile-de-France, Aquitaine and Midi-Pyrenees) who enter under this category, show that the prefectures do not

the authorization expires. Foreigners from the “priority solidarity zone” are also eligible provided that partnership for co-development has been established by France and the relevant country, or if the foreigner commits his or herself to return after a maximum of six years. Similarly the spouse and adult children of the “skills and expertise” card holder obtain a residence permit automatically and are thus authorized to work. In this vein, a 2008 report of the Senate discussed the first results of the implementation of the new immigration policy by the relevant authorities (consulates, labour offices, National Agency for Reception of Foreigners and Migrants (ANAEM)). The report did not consider the ‘skills and talents’ card very successful. For 2008, the government intended to deliver 2,000 cards, 1,000 through prefectures and 1,000 through embassies. In June 2008, only 44 cards have been delivered in total. In particular, this is explained by the delayed implementation and limited awareness-raising on the card, and rather restrictive eligibility criteria. In addition, the card lacks the legal stability in the medium and long-term that skilled migrants seek, as the permit is renewable once for three years.

The third aspect of the new legislation pertains to students. The temporary student residence permit gives holders the right to carry out secondary professional activity for up to 60 per cent of a full-time year (964 hours). No additional work permit is required and a straightforward declaration to the Prefect of the department where the student lives prior to commencing their work is all the employer is obligated to complete.

Once the permit is valid, students who have obtained a master’s degree or equivalent can be granted a provisional residence permit, valid for six months (non-renewable). They are then authorized to seek and accept a related job.<sup>143</sup>

The remunerated temporary residence permit (La carte de séjour temporaire “salarié en mission”) was created in direct response to the needs of company groups and establishments for intra-company transfers. This permit includes the right to work and is valid for up to three years at a time on a renewable basis for employees expatriated by their parent company to a French subsidiary or assigned within the same group.

The new laws encourage some labour immigration, but at the same time the general conditions of entry and stay of newcomers have been tightened. In particular, the law tightens conditions for family reunification. The principle of systematic regularization after ten years of presence on the territory has been abandoned.

In November 2007 further legislation was adopted that again tightened the entry conditions for foreigners, requiring the assessment of French language proficiency for obtaining a visa under family reunification. A family integration contract will oblige parents to ensure successful integration of newly arrived children. In case of non-compliance, the juvenile court may be asked to intervene and payment of family allowances can be stopped. Furthermore, the income threshold necessary to be eligible for family reunification will be set according to the size of the family.

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show great enthusiasm in issuing residence cards. In some cases, the prefectures took two years to ultimately respond negatively to the application of a young doctor of economics (Bouoiyour, 2010).

<sup>143</sup> This authorization also enables them to carry out secondary professional activity under the same conditions as for the student residence permit. Once students have obtained their degree, they can begin full-time work by applying for a “Skills and Expertise” residence permit (but only once they have concluded the contract related to their studies, and receive remuneration at least 50 per cent greater than the Minimum Wage in France (SMIC), 1,980 euros gross as of 1 July 2008).

## Institutional and Policy Framework for Integration

The French concept of integration evolved from a pragmatic socio-economic approach in the early decades of immigration towards the policy of assimilation. It has also resulted in drastic changes in the handling of immigration, replacing “a largely ad hoc pragmatism” with an explicit theorized model, based on values (Favelle, 2001).

The strategy adopted in France to overcome the difficulties of access to employment and reduce unemployment of migrants and their children is that of indirect targeting.

On the local level, the National Council of Cities (body composed of the local politicians, parliamentarians, representatives of associations, social partners), calls for a strengthened local policy on the reception and integration of migrants. Poor urban areas are often the first to welcome and provide housing to immigrants. The Council recommends establishing systematic language trainings, to allocate direct funding for projects that foster integration, diversity, equality and cohesion, and to redeploy the state resources towards regions receiving massive immigration inflows.

## Active Labour Market Measures

Platforms of vocation (ANPE) established in 2005, are one of the key tools of youth placement. This method allows for avoiding the usual criteria for recruitment, as lack of experience and/or diplomas in this case are a barrier to being hired. The participants are evaluated through a simulation of the working environment by a “platform” which is composed of the ANPE staff. Candidates which pass the evaluation may be presented to the employer. More than 70,000 job seekers have been job-placed between 2005 and 2007 by such platforms. The goal is to reach 180,000 evaluations (100,000 evaluations of young people) and 60,000 placements per year from 2008.

In 2006, the French administration had undertaken to support the actions by companies to promote equality. It participated in the promotion of the diversity charter now signed by over 2,500 firms and other employers (local authorities, public institutions) and supported the development of tools for implementing the charter. The promotion of the charter on the entire territory aims to raise the number of signatory companies, especially among small and medium-sized enterprises.

Since the creation of the diversity label in December 2008, 25 companies have been labelled having some 490,000 employees altogether (2009). In the first quarter of 2010, 90 companies have obtained the label that certifies the implementation of diversity policies within the organization.

## Discrimination in Employment

There is a large discrepancy between the egalitarian republican discourse on the one hand and the economic and social reality of ethnic discrimination on the other. At the same time, disaggregate data on ethnic discrimination is not available, as the republican discourse denies the gathering of statistics considered ethnic.

There are three kinds of discrimination based on nationality (Fougère and Safi, 2008): legal discrimination (20% of the labour market is closed to foreigners: civil service, public sector, professional and independent), rational discrimination (the cost of employing a foreigner) and unlawful discrimination (racism and prejudice).

Indeed, in France, several sectors of economic activity are directly or indirectly closed to foreigners, including a large part of public and nationalized sector jobs. Thus, EDF, GDF, SNCF and Air France can only hire workers of French nationality. Similarly, a foreigner can not run a bar or tobacconist's shop, an entertainment company, a private institution of technical education; cannot be director of a periodical or a broadcasting company, is excluded from a range of business transport, insurance companies and commerce. Indeed, nearly 600,000 private sector jobs are closed to non-EU nationals, except when bilateral agreements exist between France and the country of origin.

The Survey on French values (SLE), published in April 2009<sup>144</sup> and financed by the Department of Immigration helped to highlight some views among French society on migrants (SOPEMI, 2009). According to the findings, the French appear to be more tolerant than in the past towards foreigners and migrants. In 2008, only three per cent of population would not like to have neighbours of another race against nine per cent in 1990 and 1999. Only four per cent fear the proximity of migrants against respectively 13 and 12 per cent in 1990 and 1999.

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